

# CITIES AND TOWNS BULLETIN

ISSUED BY STATE BOARD OF ACCOUNTS

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June 1996

## 1996 LAWS AFFECTING CITIES AND TOWNS

The following is a digest of the laws deemed most pertinent which were enacted during the 1996 regular session of the Legislature that are related to cities, towns, and municipally owned utilities. Questions regarding legal interpretation should be directed to your city or town attorney.

PUBLIC LAW 1 - SENATE ENROLLED ACT 56 - EFFECTIVE VARIOUS DATES -  
SOLID WASTE MANAGEMENT DISTRICTS - RECODIFICATION - Adds IC 13-21 -  
**Recodifies** solid waste management district laws under a new **article**.

PUBLIC LAW 4 - HOUSE ENROLLED ACT 1193 - EFFECTIVE JULY 1, 1996 -  
ELECTIONS - TOWNS UNDER 3,500 POPULATION - Adds IC 3-10-7-2.7-  
Allows towns with population under 3,500 to adopt an ordinance to  
change the date of their election to a general election year.  
States that the term of office of a town judge, town council member  
or a town clerk-treasurer elected at the next municipal election  
not conducted in a general election year is 3 years and the  
successors' terms is 4 years beginning at noon January 1 after the  
election and continuing until a successor is elected and qualified.

PUBLIC LAW 5 - HOUSE ENROLLED ACT 1036 - EFFECTIVE JULY 1, 1996 -  
ETHICS COMMISSION - Amends IC 4-2-6 - Redefines agencies which are  
exempt from State Ethics Commission rules to include political  
subdivisions and private nonprofit government related corporations.

PUBLIC LAW 8 - HOUSE ENROLLED ACT 1084 - EFFECTIVE VARIOUS DATES -  
ENTERPRISE ZONES - Amends IC 4-4-6.1, IC 6-2.5-4-6, IC 6-3-4,  
IC 6-3.1, and IC 8-5-15-13 - Requires zone businesses to assist the  
zone urban enterprise association in an amount determined by the  
legislative body of the municipality. Provides procedures **for**  
disqualification of a zone business for failure to assist the  
association.

PUBLIC LAW 9 - SENATE ENROLLED ACT 314 - EFFECTIVE MARCH 26, 1996 -  
UNDERGROUND STORAGE TANKS - Amends IC 4-4-11.2 and IC 13-7-20 -  
Makes several changes to the laws dealing with the state's  
underground petroleum storage tank excess liability trust fund.

PUBLIC LAW 13 - SENATE ENROLLED ACT 240 - EFFECTIVE JULY 1, 1996 -  
LOCAL INFRASTRUCTURE REVOLVING FUND - Adds IC 4-10-19 - Establishes  
a local infrastructure revolving fund for the purpose of providing  
funds to local governments for infrastructure projects.

PUBLIC LAW 14 - SENATE ENROLLED ACT 265 - EFFECTIVE JULY 1, 1996 -  
CLAIMS - Amends IC 5-11-10-1.6 and IC 5-11-10-2 - Clarifies language to make these sections of law applicable to other governmental entities.

SALE OF STATE SURPLUS PROPERTY - Amends IC 4-13-2-12.5 - States that the notice of sale by the Department of Administration to political subdivisions requesting notice shall be mailed or provided by another means.

PUBLIC LAW 17 - HOUSE ENROLLED ACT 1003 - EFFECTIVE JULY 1, 1996 -  
ADMINISTRATIVE RULES - Adds and amends sections of IC 4-22-2, IC 5-22-2.5, IC 6-8.1-3-3 and IC 13-14-9.5 - Changes procedures for State agencies to follow in adopting and readopting administrative rules.

PUBLIC LAW 18 - SENATE ENROLLED ACT 344 - EFFECTIVE MARCH 21, 1996 -  
FINANCIAL INSTITUTIONS - Amends IC 5-13-4-10 - Redefines financial institution to include a bank, trust company, or mutual savings bank that was incorporated under the law of Indiana or any other state and has its principal office or a branch in Indiana. A financial institution also includes a national banking association with its principal office or a branch in Indiana.

TRANSACTION ACCOUNT - Adds IC 5-13-4-24 - Defines transaction account to mean any deposit account other than a certificate of deposit.

BANK RECONCILEMENTS - Amends IC 5-13-6-1 - Requires all investment officers to reconcile monthly the balance of public funds, as described on the records of the local officers, with the balance statements provided by the respective depositories.

DESIGNATION OF DEPOSITORIES - Amends IC 5-13-8-1, Repeals IC 5-13-8-2, IC 5-13-8-5, IC 5-13-8-10 and IC 5-13-8-11 - Eliminates the requirement to prorate funds among depositories in accordance with depository ratios. Eliminates the requirement for the local board of finance to meet and designate depositories for two year periods. An annual January organizational meeting is still required. Qualifying depositories eligible to receive public funds with branches and offices in a city or town will be included in a list maintained by the Treasurer of State which will be available upon request to cities and towns.

(PUBLIC LAW 18 - Continued)

INVESTMENTS - Amend5 IC 5-13-9- Allows cities and towns to invest or reinvest in:

(1) Securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United State5 and issued by any of the following:

- (a) The United States Treasury.
- (b) a federal agency.
- (c) a federal instrumentality.
- (d) a federal government sponsored enterprise.

(2) Discount notes issued by any of the following;

- (a) a federal agency.
- (b) a federal instrumentality.
- (c) a federal government sponsored enterprise.

The State Board of Accounts may rely on safekeeping receipts or other reporting from any depository or financial institution.

REPURCHASE AGREEMENTS - Amends iC 5-13-9-3 - "Repurchase Agreement" mean5 an agreement:

(1) involving the purchase and guaranteed resale of securities between two (2) parties; and

(2) that may be entered into for a fixed term or arranged on an open or a continuing basis as a continuing contract that:

- (a) operates like a series of overnight repurchase agreements;
- (b) is renewed each day with the repurchase rate and the amount of funds invested determined daily; and
- (c) is considered to have a stated final maturity of one (1) day.

Each officer may enter into, with any funds that are held by the officer and available for investment, repurchase agreements (including standing repurchase agreements, commonly known as sweep accounts):

(1) with depositories designated by the state board of finance as depositories for state investments under IC 5-13-9.5; and

(2) involving the city or town's purchase and guaranteed resale of any interest-bearing obligations:

- (a) issued; or
- (b) fully insured or guaranteed;

by the United States, a United States government agency, an instrumentality of the United States, or a federal government sponsored enterprise.

(PUBLIC LAW 18 - Continued)

REPURCHASE AGREEMENTS (Continued)

The depository shall determine daily that the amount of money in this type of agreement must be fully collateralized by interest-bearing obligations as determined by their current market value. The collateral for this type of agreement is not subject to the provisions of IC 5-13-9-2(c).

If the market value of the obligations being held as collateral falls below the level required or a higher level established by agreement, the depository shall deliver additional securities to the city or town to make the agreement collateralized to the applicable level. The collateral involved in a repurchase agreement entered into is not subject to the maturity limitation provided in IC 5-13-9-5.6.

A city or town may invest in repurchase agreements without entering into a contract under IC 5-13-11 for an investment cash management system.

INTERNATIONAL BANE FOR RECONSTRUCTION AND REDEVELOPMENT AFRICAN DEVELOPMENT BANK - Adds IC 5-13-9-3.3 - Each officer may invest or reinvest any funds that are held by the officer and available for investment in obligations issued, assumed, or guaranteed by the International Bank for Reconstruction and Redevelopment or the African Development Bank.

INVESTMENTS - FISCAL OFFICERS IN MARION COUNTY - Amends IC 5-13-9-3.5 - The fiscal officer of a city or town that is located in a county containing a consolidated city may invest or reinvest any funds that are held by the fiscal officer and that are available for investment in participation<sup>5</sup> in loans. However, funds may be invested or reinvested in a participation in loans only under the following conditions:

(1) The principal of the participation in loans must be guaranteed by an agency or instrumentality of the United State<sup>8</sup> government.

(2) The participation in loans must be represented by a certificate issued by a bank that is:

(a) incorporated under the law of Indiana, another state, or the United States; and

(b) insured by the Bank Insurance Fund of the Federal Deposit Insurance Corporation.

Funds may be invested *or* reinvested in a participation in loans even though the certificate representing the participation in loans is not insured by the Bank Insurance Fund of the Federal Deposit Insurance Corporation.

(PUBLIC LAW 18 - Continued)

INVESTMENTS-FISCAL OFFICERS IN MARION COUNTY (Continued)

A fiscal officer may lend any securities acquired. However, securities may be lent under this subsection only if the agreement under which the securities are lent is collateralized by:

- (1) cash; or
- (2) interest bearing obligations that are issued by, fully insured by, or guaranteed by the United States, an agency of the United States government, a federal instrumentality, or a federal government sponsored enterprise in excess of the total market value of the loaned securities. (IC 5-13-9-3.5)

INVESTMENT IN TRANSACTION ACCOUNTS

Each officer may deposit, invest, or reinvest any funds that are held by the officer and available for investment in transaction accounts issued or offered by a designated depository of a political subdivision for the rates and terms agreed upon periodically by the officer making the investment and the designated depository. The fiscal body of a city or town shall require the investing officer to deposit and maintain deposits that are invested or reinvested as follows:

- (1) In one (1) or more depositories designated by the city or town, if the sum of the monthly average balances of all of the transaction accounts for the political subdivision does not exceed one hundred thousand dollars (\$100,000).
- (2) In each depository designated for the city or town if (1) does not apply and less than three (3) financial institutions are designated by the local board of finance as a depository.
- (3) In at least two (2) depositories designated for the city or town, if (1) does not apply and at least three (3) financial institutions are designated by the local board of finance as a depository.

CERTIFICATES OF DEPOSIT

The investing officer making a deposit in a certificate of deposit shall obtain quotes of the specific rates of interest for the certificate of deposit that each designated depository will pay on the certificate of deposit. Quotes may be solicited and taken by telephone. A memorandum of all quotes solicited and taken shall be retained by the investing officer as a public record of the city or town under IC 5-14-3.

(PUBLIC LAW 18 - Continued)

## CERTIFICATES OF DEPOSIT (Continued)

A deposit shall be placed in the designated depository quoting the highest rate of interest. If more than one (1) depository submits a quote of the highest interest rate quoted for the investment the deposit may be placed in any or all of the designated depositories quoting the highest rate in the amount or amounts determined by the investing officer, in the investing officer's discretion. If all of the designated depositories of a city or town decline to issue or recieve any deposit account, or to issue or receive any deposit account, or to issue or receive the deposit account at a rate of interest equal to the highest rate being offered other investors, investments may be made in the deposit accounts of any financial institution designated for state investments as a depository by the state board of finance under IC 5-13-9.5. (IC 5-13-9-4).

STATED FINAL MATURITY - Investments must have a stated final maturity of not more than two (2) years after the date of purchase or entry into a repurchase agreement. (IC 5-13-9-5.6)

CREDIT CARDS - A payment to a city or town or a municipally owned utility may be made by any of the following financial instruments that the fiscal body of the city or town or the board of a municipally owned utility authorizes for use:

- (1) Cash.
- (2) Check.
- (3) Bank draft.
- (4) Money order.
- (5) Bank card or credit card.
- (6) Electronic funds transfer.
- (7) Any other financial instrument authorized by the fiscal body.

If there is a charge to the city or town or municipally owned utility for the use of a financial instrument, other than a bank card or credit card, the city or town or municipally owned utility shall collect a sum equal to the amount of the charge from the person who uses the financial instrument.

If authorized by the fiscal body of the city or town or the board of the municipally owned utility, the city or town or municipally owned utility may accept payments with a bank card or credit card. However, the procedure authorized for a particular type of payment must be uniformly applied to all payments of the same type.

The city or town or municipally owned utility may contract with a bank card or credit card vendor for acceptance of bank cards or credit cards. The city or town or municipally owned utility may pay any applicable bank card or credit card service charged associated with the use of a bank card or credit card. (IC 36-1-8-11)

PUBLIC LAW 26 - HOUSE ENROLLED ACT 1297 - EFFECTIVE VARIOUS DATES -  
STATE LOTTERY AND GAMING SURPLUS AND PROPERTY TAX REPLACEMENT CREDIT  
DISTRIBUTIONS - Amends IC 6-1.1-21-10, IC 6-1.1-20.9-2 and IC 6-6-5  
Accelerates distributions made by the State to the County Auditor.  
Raises homestead credit on residential property to 8% for 1996.  
Corrects funding formulas for motor vehicle highway and local road  
and street distributions.

PUBLIC LAW 31 - HOUSE ENROLLED ACT 1126 - EFFECTIVE VARIOUS DATES -  
PROTECTIVE ORDERS - Amends IC 5-2-9, IC 31-1-11.5, IC 31-6-4-17, IC  
31-6-6.1, IC 33-19-5-4 and IC 34-4-5.1 - States that for each  
proceeding for the issuance of a protective order under IC 34-4-5.1:

- (1) the clerk of a court shall initially collect \$35 of the \$100  
civil costs fee from the party that filed the action or the  
court may waive the initial \$35; and
- (2) upon dissolution of the protective order, the court may order  
that:
  - (a) the remainder of the civil costs fee (\$65) be assessed  
against the respondent in the action or against the party that  
filed; and
  - (b) the initial \$35 civil costs fee be reimbursed by the  
respondent to the party that filed the action or assessed  
against the respondent.

PUBLIC LAW 32 - SENATE ENROLLED ACT 437 - EFFECTIVE JULY 1, 1996 -  
PROTECTIVE ORDERS - See Public Law 31 for similar provisions which  
are contained in the House version of the law.

PUBLIC LAW 37 - SENATE ENROLLED ACT 69 - EFFECTIVE JULY 1, 1996 -  
PUBLIC EMPLOYEES RETIREMENT FUND (PERF) - Amends IC 5-10.3-5.3 -  
Requires the PERF board to use prudent investment standards when  
investing funds.

PUBLIC LAW 39 - HOUSE ENROLLED ACT 1159 - EFFECTIVE JULY 1, 1996 and  
JANUARY 1, 1997 - STATE BOARD OF ACCOUNTS - AUDIT GUIDELINES -  
Amends IC 5-11 - Requires the State Board of Accounts to establish  
in writing uniform compliance guidelines that governmental entities  
must observe to avoid a finding that is critical of an entity other  
than the entity's failure to comply with a specific law. such  
guidelines must be distributed to each entity the State Board of  
Accounts audits. Requires audit reports to designate the uniform  
compliance guideline or the specific law upon which any audit  
finding is based.

CLAIMS - EFFECTIVE JULY 1, 1996 - Amends IC 5-11-10-1 and IC  
5-11-10-1.6 - Exempts regional water and sewer districts organized  
under IC 13-26 and IC 13-3-2 and conservancy districts from the  
requirement that claims be signed by claimants.

PUBLIC LAW 40 - HOUSE ENROLLED ACT 1230 - EFFECTIVE JULY 1, 1996 -  
CLAIMS - Amends IC 5-11-10-1 - Exempts airport authorities,  
boards of aviation commissioners, public transportation corporations  
and commuter transportation districts from the requirement that  
claims be signed by claimants.

ACCOUNTS PAYABLE VOUCHER REGISTER - Amends IC 5-11-10-2 - Changes  
the name of the claim and allowance docket to an accounts payable  
voucher register.

SEWAGE UTILITIES - UNCLAIMED OVERPAYMENTS - Amends IC 32-9-1.5-1 and  
adds IC 36-9-23-28.5 - Exempts unclaimed overpayments of sewer  
charges from the requirement that such overpayments be classified as  
unclaimed property under IC 32-9-1.5. Such overpayments become the  
property of the sewage utility under IC 39-9-23-28.5 after such fees  
remain unclaimed by a payee for more than 7 years.

CREDIT CARDS, BANE CARDS, ELECTRONIC FUND TRANSFERS - See PUBLIC LAW  
18 for the final amendments to IC 36-1-8-11.

PUBLIC PURCHASES - SEWAGE UTILITIES - Amends IC 36-1-9-1 - Exempts  
sewage utilities from the public purchases law.

PUBLIC PURCHASES LAW - COMMUTER AND PUBLIC TRANSPORTATION  
CORPORATIONS - Amends IC 36-1-9-3 and IC 36-1-9-4 - Raises the bid  
threshold to \$100,000 for transportation corporations operating  
under IC 8-5-15 and IC 36-9-4. Requires such corporations to invite  
at least 3 quotes where the total price of each line or class of  
materials to be purchased annually is at least \$25,000 but less than  
\$100,000.

SHORT TERM BORROWING - Amends IC 36-4-6-20 (Cities) and IC 36-5-2-12  
(Towns) - Allows the legislative body to make loans and issue notes  
for the purpose of refunding those loans and notes in anticipation  
of revenues of the city or town that are anticipated to be levied  
and collected during the term of those loans. The term of the loans  
made may not be more than 5 years. Such loans shall be made in  
the same manner as loans under IC 36-4-6-19 (Cities) and IC  
36-5-2-11(b) and (c)(Towns).

PUBLIC LAW 41 - HOUSE ENROLLED ACT 1310 - EFFECTIVE MARCH 21, 1996 -  
REPURCHASE AGREEMENTS - States that repurchase agreements entered  
into prior to March 21, 1996, which would have been in compliance  
with IC 5-13-g-3, as amended, are legalized and valid. (See PUBLIC  
LAW 18 for the final amendments made to IC 5-13-9-3)



PUBLIC LAW 42 - HOUSE ENROLLED ACT 1288 - EFFECTIVE JULY 1, 1996 -  
 ACCESSIBLE PARKING SPACES - Amends IC 5-16-9-1, IC 5-16-9-2, and  
 IC 5-16-9-4 - Requires cities and towns that provide parking  
 facilities for self-parking by employees or visitors to have  
 accessible parking spaces reserved according to the following  
 schedule:

TOTAL NUMBER OF PARKING SPACES IN FACILITY	MINIMUM NUMBER OF RESERVED SPACES
1 to 25	1
26 to 50	2
51 to 75	3
76 to 100	4
101 to 150	5
151 to 200	6
201 to 300	7
301 to 400	8
401 to 500	9
501 to 1,000	2% of total
over 1,000	20 plus 1 for each 100 spaces over 1,000

A parking facility may provide accessible parking spaces  
 in different locations from other parking spaces if the location of the  
 accessible spaces results in equivalent or greater access by the shortest  
 accessible route of travel to an accessible entrance of:

(1) a building, if the parking facility does not serve a specific  
 building; or

(2) the parking facility, if the parking facility does not serve a  
 specific building.

For buildings with more than one (1) accessible entrance that has  
 parking adjacent to the entrances, accessible parking spaces must be  
 dispersed and located closest to the accessible entrances.

The reserved space or spaces must be reserved by posting immediately  
 adjacent to and visible from the space and spaces a vertical sign  
 measuring at least forty-eight (48) inches from the base of the  
 sign, located in a manner that will not be obscured by a vehicle  
 parked in the space, and bearing the following:

(1) The international symbol of accessibility.

(2) Letters and numbers that have a width to height ratio between  
 3:5 and 1:1 and a stroke width to height ratio between 1:5 and 1:10.

(3) Characters and numbers that are sized according to the distance  
 from which the characters and numbers are read, with the minimum  
 height measured by an uppercase "X". Lowercase characters may be  
 used.

(PUBLIC LAW 42 - Continued)

The character<sup>5</sup> and background of a sign must be eggshell, matte, or another nonglare finish. Character<sup>5</sup> and symbols used on a sign must contrast with the background color of the sign. The size and location of parking spaces must conform to the following standards:

(1) An accessible parking space must be at least ninety-six (96) inches wide.

(2) An access aisle adjacent to an accessible parking space must be at least sixty (60) inches wide and may not be restricted by a built-up curb ramp, planters, curbs, wheel stops, or any other obstructions.

(3) Two (2) adjacent accessible parking spaces may share a common access aisle.

(4) An access aisle:

(A) must be part of an accessible route to the building or facility; and

(B) must either merge with the accessible route or have a curb ramp to the accessible route that complies with the rules governing curb ramps.

(5) An accessible parking space and an access aisle must have a slope of not more than 1:50 [two percent (2%)] in all directions.

(6) An accessible parking space and an access aisle must be designated with blue lines.

(7) An accessible parking space and at least one (1) vehicle access route to the accessible parking space must have a minimum vertical clearance of at least ninety-eight (98) inches.

A parking facility must designate at least one (1) accessible parking space of every eight (8) accessible parking spaces as a van accessible parking space. A van accessible parking space must have an access aisle at least ninety-six (96) inches wide. A parking facility may group all van accessible parking spaces in a single location. A parking facility that:

(1) is in existence on June 30, 1996 and;

(2) conforms to the specifications for the size and locations of parking spaces as the specifications that were in effect on June 30, 1996;

is not required to conform with the van accessible requirements until the first time the parking facility is resurfaced or restriped after June 30, 1996.

PUBLIC LAW 43 - HOUSE ENROLLED ACT 1318 - EFFECTIVE JULY 1, 1996 -

JUDGMENTS - Amends IC 5-16-9-5, IC 5-16-9-8, IC 5-16-9-10, IC 34-4-32-4 and adds IC 34-4-32-6 - Requires a civil judgement Of not less than \$50 to be imposed on violations of unauthorized parking in spaces reserved for persons with disabilities. If a person named as a defendant in a summons and complaint issued under IC 5-16-9-10 mails or delivers before the appearance date specified in the summons and complaint to the court having jurisdiction over the action:

(1) an admission of the violation or a plea of nolo contendere to the violation; or

(2) a fifty dollar (\$50) civil judgement;

the court shall enter a judgement against the defendant for the violation. An admission or plea of nolo contendere received by the court constitutes a written appearance and the defendant is not required to personally appear before the court.

PUBLIC LAW 44 - SENATE ENROLLED ACT 152 - EFFECTIVE JULY 1, 1996 -

LATE PAYMENT PENALTY - Amends IC 5-17-5-1 - Redefines the 1% per month interest charge as a "late payment penalty". States that payment is timely if a check or warrant is mailed or delivered on the date specified for the amounts specified, in the applicable contract documents, or, if no date is specified, within 35 days of (1) receipt of a properly completed claim; or (2) the invoice date; and the city or town pays the claim within 35 days following the first regularly scheduled meeting of the proper allowing body or board that is held at least 10 days after the body or board receives the claim.

PUBLIC LAW 45 - SENATE ENROLLED ACT 364 - EFFECTIVE JULY 1, 1996 -

ACCESS INDIANA - Amends and adds to IC 5-21-1 and IC 5-21-2 - Makes several changes to the laws governing the Statewide intelenet system.

PUBLIC LAW 48 - SENATE ENROLLED ACT 471 - EFFECTIVE MARCH 1, 1992 and MARCH 1, 1995 (Retroactive) - PROPERTY TAX DEDUCTIONS - Amends 6-1.1-12 - Raises dollar thresholds and deductions for certain property tax deductions.

PUBLIC LAW 49 - HOUSE ENROLLED ACT 1133 - EFFECTIVE JANUARY 1, 1997 - BUDGETS AND TAX LEVIES - Amends IC 6-1.1-17-1, IC 6-1.1-17-3, IC 6-1.1-17-5, IC 6-1.1-17-16, IC 6-1.1-20.9-6, IC 6-1.1-22-3 and IC 6-1.1-22-5. Requires the county auditor to send to each city or town on or before August 1, beginning in 1997, the current assessed valuation as shown on the abstract of charges, the average growth in assessed valuation in the city or town over the preceeding three (3) years and any other information that might affect the assessed valuation.

Makes changes to the published notice to taxpayers in 1997. Changes the public hearing notice advertising requirements in third class cities and in towns. Advertising of the hearing must be completed at least ten (10) days before the hearing. Changes the assessment date from March 1 to March 15. Allows State Board of Tax Commissioners to complete its duties each year on or before February 15.

PUBLIC LAW 54 - HOUSE ENROLLED ACT 1405 - EFFECTIVE JULY 1, 1995 (Retroactive) FIRE PROTECTION - MARION COUNTY INCLUDED TOWNS - Amends IC 36-8-13 - Amends statutes affecting the computation of the maximum levy of towns and townships providing fire protection where the township serves 3 included towns.

PUBLIC LAW 58 - SENATE ENROLLED ACT 345 - EFFECTIVE COUNTY ADJUSTED GROSS INCOME TAX - Adds IC 6-3.5-1.1-9.5 - Allows a county council to elect to reduce the required balance in the county income tax special account held by the State from a 6 month balance to a 3 month balance. Provides formula for distribution to the County Auditor who shall distribute such money to cities and towns in the same manner as certified distributions are made. Provides that cities and towns may use such distributions in the same manner as certified shares may be used.

PUBLIC LAW 65 - HOUSE ENROLLED ACT 1097 - EFFECTIVE JULY 1, 1996 - SENTENCING - CONTROLLED SUBSTANCES - Amends various sections of the Code - States that a court must consider whether a defendant has paid a controlled substance excise tax and may order such tax be paid as part of the sentencing order.

PUBLIC LAW 66 - SENATE ENROLLED ACT 122 - EFFECTIVE JANUARY 1, 1996 (Retroactive) - MEDICAL CARE SAVINGS ACCOUNTS - Amends IC 6-8-11-10 States that an employer may assist in paying the deductible portion of an account the employer purchases to establish the medical care savings account if the employer did not previously assist in paying the employee's medical expenses.

PUBLIC LAW 68 - SENATE ENROLLED ACT 221 - EFFECTIVE JULY 1, 1996 -  
LAKE COUNTY CONVENTION AND VISITOR BUREAU - Amends IC 6-9-2-2 -  
Allows the Bureau to pay claims in same manner as cities and towns.  
Redefines president and vice president of the Bureau as chairman and  
vice chairman. Sets limits on a member's terms of office.

PORT AUTHORITIES - Amends IC 8-10-5-5 - States that the board of  
directors for the Hammond Port Authority consists of 5 members (3  
appointed by the mayor and 2 appointed by the city council).

TERM OF OFFICE - APPOINTED BOARD MEMBERS - Amends IC 36-1-8-10 -  
States that if the term of an appointed board member of a board  
expire<sup>5</sup> and the appointing authority does not make an appointment to  
fill the vacancy, the member may continue to serve on the board for  
only 60 days after expiration of the member's term.

TERM OF OFFICE - EXECUTIVE APPOINTMENTS - SECOND AND THIRD CLASS  
CITIES - Amends IC 36-4-11-2 - Places 60 day limitation on serving  
after the expiration of a term.

APPOINTMENTS - SECOND CLASS CITIES - Amends IC 36-4-9-6 - Makes  
changes to references of gender for appointed members.

PUBLIC LAW 73 - HOUSE ENROLLED ACT 1080 - EFFECTIVE MAY 1, 1996 -  
TEMPORARY BEER AND WINE PERMITS - TOWNS UNDER 10,000 POPULATION -  
Adds IC 7.1-3-6-3.6 and IC 7.1-3-16-5.5 - Requires a town council to  
hold a public hearing on a request for temporary beer and wine  
permits and approve such permits before the Alcoholic Beverage  
Commission (ABC) can issue such temporary permits. Requires the  
Clerk-Treasurer to notify the ABC of the town council's decision not  
later than thirty (30) days after the person's request for approval.  
If no action is taken by a town, the ABC shall consider the request  
to be approved by the town.

PUBLIC LAW 78 - SENATE ENROLLED ACT 199 - EFFECTIVE JULY 1, 1996 -  
NOT-FOR-PROFIT SEWAGE UTILITIES - Amends IC a-1-2-125 - Allows a  
not-for-profit public sewer utility to require connection to its  
sewer system if there is service available within 300 feet of the  
property line of the utility and the utility gives proper notice to  
the owner.

PUBLIC LAW 79 - HOUSE ENROLLED ACT 1139 - EFFECTIVE JULY 1, 1996 -  
ANNEXATION - CITIES OF MARION AND MICHIGAN CITY - Amends IC 36-4-3 -  
Allows the cities of Marion and Michigan City to annex certain  
areas.

PUBLIC LAW 81 - HOUSE ENROLLED ACT 1061 - EFFECTIVE JULY 1, 1997 -  
RAILROAD CROSSINGS - Adds IC 8-6-7.7-3.1, **IC** 8-6-7.7-3.2, IC  
8-6-7.7-3.3 and IC 8-6-7.7-3.4 - Amends IC 8-6-1-4, IC 8-6-1-7, IC  
8-6-1-9, IC 8-6-7.7-2 and IC 8-6-7.7-3. - Requires the Indiana  
Department of Transportation (**INDOT**) to adopt rules Specifying  
criteria for **INDOT** to use in determining whether to open a railroad  
grade crossing. Also requires **INDOT** to set rules **INDOT** or a city Or  
town will **use** in determining whether to abolish a railroad crossing.  
Sets out criteria which must be considered before a determination **is**  
made. Establishes appeal procedures where a city or town denies a  
petition to close a crossing.

PUBLIC LAW 82 - SENATE ENROLLED ACT 2 - EFFECTIVE MARCH 21, 1996  
STATE RAILROAD GRADE CROSSING FUND - Amends IC 8-6-7.7-6.1 - Allows  
Indiana Department of Transportation to use such fund for **passive**  
railroad crossing safety equipment projects.

PUBLIC LAW 84 - SENATE ENROLLED ACT 184 - EFFECTIVE MARCH 7, 1996  
AIRPORT AUTHORITIES - SPECIAL POLICE POWERS - Amends IC 8-22-3-34 -  
Adds IC 35-47-6-0.5 and **IC** 35-47-6-1.3 - Requires special **police**  
employees of an operator of an airport to meet the minimum  
training standards set out in IC 5-2-1.

PUBLIC LAW 85 - SENATE ENROLLED ACT 359 - EFFECTIVE JULY 1, 1996 -  
AIRPORT DEVELOPMENT ZONE - ALLEN COUNTY - Amends IC 8-22-3.5, IC  
8-22-3.6, IC 8-22-3.7 and IC 36-1-7-15 - Allows Allen County to  
create such zone.

PUBLIC LAW 90 - HOUSE ENROLLED ACT 1266 - EFFECTIVE MARCH 21, 1996  
VEHICLE REGISTRATION - Amends IC 9-18-2-1 - Exempts Certain **members**  
of the armed forces stationed outside Indiana from vehicle  
registration requirements.

PUBLIC LAW 93 - HOUSE ENROLLED ACT 1261 - EFFECTIVE JULY 1, 1996 -  
TRAFFIC CALMING DEVICES - Amends IC 9-21-4-3 - Exempts traffic  
calming devices from State requirements set for traffic control  
devices.

PUBLIC LAW 96 - SENATE ENROLLED ACT 316 - EFFECTIVE JULY 1, 1996 -  
TRAFFIC OFFENSES - SENTENCING - Amends IC 9-24, IC 9-26, IC **9-30-5**,  
IC 9-36-6-15 and IC 35-50-2 - Makes several changes to driving under  
the influence laws.

PUBLIC LAW 97 - HOUSE ENROLLED ACT 1106 - EFFECTIVE JULY 1, 1996 -  
TRAFFIC OFFENSES - See Public Law 96 for the Senate version of this  
law.

PUBLIC LAW 99 - SENATE ENROLLED ACT 417 - EFFECTIVE JULY 1, 1996 -  
POST ARREST RELEASE - TRAFFIC OFFENSES - Amends IC 9-30-2 - Exempts  
persons arrested for driving while intoxicated from certain release  
and bail statutes.

PUBLIC LAW 103 - HOUSE ENROLLED ACT 1029 - EFFECTIVE JULY 1, 1996 -  
MEMORIAL DAY EXPENSES - Amends IC 10-7-13-1 - Expands the list of  
organizations a city or town may donate money to for Memorial Day  
expenses.

CURFEWS - CEMETERIES - Adds IC 23-14-32 - Allows cities and towns to  
impose curfews in cemeteries.

PUBLIC LAW 122 - HOUSE ENROLLED ACT 1246 - EFFECTIVE MARCH 1, 1996 and JULY  
1, 1996 - LANDFILLS - Amends IC 13-1-12-9, IC 13-7-27, IC 13-19-3-4,  
and IC 13-22-11 - Makes changes to the landfill reporting  
requirements for hazardous waste.

PUBLIC LAW 123 - HOUSE ENROLLED ACT 1401 - EFFECTIVE MARCH 21 AND JULY 1,  
1996 - INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT (IDEM) -  
Amends various articles of Title 13 and adds IC 36-1-4-7.5 - Amends  
numerous IDEM statutory requirements. Adds section listing  
procedures for leasing property containing environmental  
contamination.

PUBLIC LAW 124 - HOUSE ENROLLED ACT 1184 - EFFECTIVE VARIOUS DATES -  
HAZARDOUS WASTE - WATER AND SEWER CONNECTIONS - Amends IC 13-7-8.6,  
IC 13-7-8.7 and IC 13-7-15 - States that a waiver against a  
remonstrance in the event of annexation granted after December 31,  
1993, by a landowner in an incorporated area in order to connect to  
a sewer or water service because a person other than the landowner  
has polluted or contaminated the area is void if a person or legal  
entity other than the landowner or the municipality has paid the  
cost of the extension of or connection to the service.

PUBLIC LAW 125 - SENATE ENROLLED ACT 349 - EFFECTIVE MARCH 21, 1996 AND JULY  
1, 1996 - SOLID WASTE MANAGEMENT DISTRICTS - Amends and adds to IC  
13-9.5 and IC 13-21 - Grants districts the power to exclusively  
control recyclables within a district. Limits a board's resolution  
powers by requiring cities or towns in the district to adopt such  
language in the resolution by resolution or ordinance. Lists  
procedures to follow in contracting for waste management services.

PUBLIC LAW 126 - HOUSE ENROLLED ACT 1263 - EFFECTIVE JULY 1, 1996 AND JULY 1, 1997 - INDIANA INSTITUTE ON RECYCLING - Amends IC 13-20-18-11 - Extends statutory expiration date of the institute to December 31, 1999.

HAZARDOUS SPILLS - Amends IC 13-11-2, Adds IC 13-18-6-4 and IC 13-25-2-6.5 - Delays exemptions from certain reporting requirements for spills to July 1, 1997.

PUBLIC LAW 127 - SENATE ENROLLED ACT 185 - EFFECTIVE JULY 1, 1996 - INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT (IDEM) REGULATIONS - Adds IC 13-14-1-11.5 - Sets procedures for IDEM to follow in setting regulations.

PUBLIC LAW 128 - SENATE ENROLLED ACT 315 - EFFECTIVELY JULY 1, 1996 - IDEM PERMITS - Amends IC 13-15-3-2 - Adds IC 13-15-2-2 - Allows IDEM to renew permits for periods not to exceed 10 years.

PUBLIC LAW 129 - SENATE ENROLLED ACT 173 - EFFECTIVELY JULY 1, 1996 - SOLID WASTE MANAGEMENT DISTRICTS - TAX LEVIES - Amends IC 13-21-3-16 Requires county council approval where a proposed district tax levy will increase more than 5%.

PUBLIC LAW 130 - HOUSE ENROLLED ACT 1265 - EFFECTIVE MARCH 21, 1996 SOLID WASTE MANAGEMENT DISTRICTS - Adds IC 13-21-14-g - Prohibits a district from imposing fees on owners of transfer stations.

PUBLIC LAW 133 - HOUSE ENROLLED ACT 1116 - EFFECTIVE JULY 1, 1996 - LAW ENFORCEMENT DECOYS - Adds IC 14-22-40 - Makes it a Class C misdemeanor to shoot or shoot at a decoy used by a law enforcement officer. Requires a payment of \$100 for each commission of the offense to be paid to Department of Natural Resources fish and wildlife fund.

PUBLIC LAW 136 - HOUSE ENROLLED ACT 1326 - EFFECTIVE JULY 1, 1996 - OPEN BURNING - LEAVES - Noncode - Permits open burning of leaves at a residence in an unincorporated area under certain conditions.

PUBLIC LAW 141 - SENATE ENROLLED ACT 161 - EFFECTIVE JULY 1, 1996 - WEED CUTTING ASSESSMENTS - Amends IC 15-3-4 - Requires township trustee to send certified statement of costs to remove weeds to city or town fiscal officer if the land is owned by a city town.

PUBLIC LAW 150 - SENATE ENROLLED ACT 194 - EFFECTIVE JULY 1, 1996 - SEPTIC SYSTEMS - Adds IC 16-41-25-3 - Adds restriction to residential septic systems installed after July 1, 1996.



PUBLIC LAW 166 - SENATE ENROLLED ACT 33 - EFFECTIVE JULY 1, 1995  
(Retroactive) and JULY 1, 1996 - UNEMPLOYMENT COMPENSATION - Amends  
IC 22-4 - Adds IC 22-4-17-2.5 - Requires the State to notify  
recipients that unemployment compensation is subject to federal,  
state and local income taxes.

PUBLIC LAW 168 - HOUSE ENROLLED ACT 1259 - EFFECTIVE JULY 1, 1996 -  
INDOOR PYROTECHNICS ORDINANCES - Amends IC 22-11-14-2 - Allows  
cities and towns to adopt ordinances regulating indoor pyrotechnics.

PUBLIC LAW 169 - SENATE ENROLLED ACT 45 - EFFECTIVE MARCH 21, 1996 -  
BUILDING SAFETY - Amends and adds to IC 22-11-17 - Adds regulations  
on special egress control devices in public buildings.

PUBLIC LAW 170 - HOUSE ENROLLED ACT 1236 - EFFECTIVE JULY 1, 1996 -  
FIRE DEPARTMENT TRAINING - Amends IC 22-14-2-7 - Requires  
instructor8 to fulfill continuing education requirements to  
maintain certification.

PUBLIC LAW 171 - HOUSE ENROLLED ACT 1094 - EFFECTIVE MARCH 14, 1996 -  
BANK MERGERS - Amends and adds to several sections in Title 28 -  
Allows banks, trust companies, corporate fiduciaries, savings banks,  
building and loan associations, or savings and loan association8  
organized or reorganized under the laws of any state of the United  
States to merge.

PUBLIC LAW 209 - SENATE ENROLLED ACT 220 - EFFECTIVE VARIOUS DATES -  
COURT COSTS - Amends IC 33-19 - Makes technical corrections to  
legislation passed in 1995 which raises court costs which will go in  
effect July 1, 1997.

PUBLIC LAW 215 - SENATE ENROLLED ACT 423 - EFFECTIVE MARCH 21, 1996 AND JULY  
1, 1996 - CITY AND TOWN COURTS IN LAKE COUNTY - Amends IC  
33-10.1-2-4 and IC 33-10.1-2-5 - Allows Gary, Hammond, East Chicago,  
Hobart, Lake Station, and Merrillville courts to have concurrent  
civil jurisdiction with the County's Circuit Court where the  
controversy does not exceed \$3,000.

PUBLIC LAW 216 - HOUSE ENROLLED ACT 1005 - EFFECTIVE JULY 1, 1996 -  
COURT COSTS - Changes the distribution percentages for court costs  
to 55%-State, 20%-County, and 25%-City or Town.

INDIGENT DEFENDANTS - Amends IC 33-19-2-3 and IC 35-33-7-6 - After  
a hearing if the court determines that a convicted person is able to  
pay part of the costs of representation (if provided by a county  
public defender program) the court shall order the person to pay an  
amount if not more than the cost of the defense services rendered on  
behalf of the person.

PUBLIC LAW 221 - SENATE ENROLLED 272 - EFFECTIVE JULY 1, 1996

BAIL BONDS - Amends IC 35-33-8-3.1 - Allows courts to require a bond where the defendant poses a risk of physical danger to another person or the community.

PUBLIC LAW 222 - SENATE ENROLLED ACT 256 - EFFECTIVE MARCH 15, 1996 -

CABLE TELEVISION FRAUD - Amends IC 35-43-5 - Makes it a Class A misdemeanor for a person to defraud another person furnishing Cable service by avoiding paying for that service by any scheme or device or by tampering with facilities or equipment of the person furnishing service. Makes it a Class D felony for a person to manufacture, distribute, sell, lease, or offer for sale or lease a device designated to intercept, unscramble, or decode cable service without full payment to the cable company.

PUBLIC LAW 225 - SENATE ENROLLED ACT 459 - EFFECTIVE JULY 1, 1996 -

STALKING - Amends IC 35-45-10-5 - Changes statutes regarding sentencing in stalking cases.

PUBLIC LAW 229 - HOUSE ENROLLED ACT 1235 - EFFECTIVE JULY 1, 1996 -

CLOTHING AND AUTOMOBILE ALLOWANCES - VOLUNTEER FIRE COMPANIES - Amends IC 36-8-12-5 - Unless otherwise provided by contract, each active and participating member of a volunteer fire company shall be paid not less than \$100 per year for a clothing allowance and not less than \$100 per year for an automobile allowance.

MEDICAL EXPENSE DISABILITY COVERAGE - Amends IC 36-8-12-7 - Raises the required coverage to a minimum of \$75,000.

VISITING LAW ENFORCEMENT AND FIREFIGHTERS PERSONNEL - Amends IC 36-1-7-7 - Provides that such officers and firefighters are subject to the same laws and benefits as if they were providing services within their own jurisdiction.

PUBLIC LAW 231 - HOUSE ENROLLED ACT 1338 - EFFECTIVE MARCH 21 AND JULY 1,

1996 - ANNEXATION - Adds IC 36-4-3-2.1 - Amends IC 36-4-3-8.5 and IC 36-4-3-15 - Requires public hearings on proposed annexations. Makes other changes in the handling of tax abatement and judgements affecting annexation.

PUBLIC LAW 233 - SENATE ENROLLED ACT 121 - EFFECTIVE JULY 1, 1996 -

TRANSFERS OF TOWN FUNDS - TOWNS WITH POPULATIONS OF MORE THAN 500 BUT LESS THAN 2,000 - Amends IC 36-5-4-13 - A town may transfer money distributed to the town from:

- (1) The motor vehicle highway account IC 8-14-1;
- (2) the local road and street account under IC 8-14-2; or

(PUBLIC LAW 233 - Continued)

(3) the:

- (a) motor vehicle highway account under IC 8-14-1; and
- (b) local road and street account under IC 8-14-2;

to any town fund after the passage of an ordinance or a resolution by the town legislative body that specifies the amount of the transfer, the funds involved, the date of the transfer, and the general purpose of the transfer. However, the total amount of all money transferred by a town may not exceed forty thousand dollars (\$40,000).

The towns of Nashville and Shipshewana may not transfer money to or from a food and beverage tax receipts fund established under IC 6-9.

PUBLIC LAW 234 - HOUSE ENROLLED ACT 1016 - EFFECTIVE JULY 1, 1996 - TOWN POLICE DEPARTMENTS - DISCIPLINARY PROCEDURES - ADMINISTRATIVE LEAVE - Amends IC 36-8-3-4 - Allows a safety board the option of placing a member subject to criminal charges on administrative leave.

PUBLIC LAW 235 - SENATE ENROLLED ACT 305 - EFFECTIVE MARCH 15, 1996 - CITY POLICE AND FIRE RESIDENCY - Amends IC 36-8-4-2 - Allows **members** of the police and fire departments to reside in a county that **is** contiguous to the county in which the city is located.

PUBLIC LAW 236 - SENATE ENROLLED ACT 332 - EFFECTIVE MARCH 21, 1996 - RETIREMENT BENEFITS - POLICE MATRONS - Amends IC 36-8-6, IC 36-8-7 and IC **36-8-8-** Allows police matrons to be members of the 1925, 1937 and 1977 pension plans.

PUBLIC LAW 238 - SENATE ENROLLED ACT 165 - EFFECTIVE MARCH 10, 1996 - EMERGENCY 911 FUNDS - Amends IC 36-8-16 - Corrects reference to fiscal body of a unit where legislative body was formerly used.

PUBLIC LAW 254 - HOUSE ENROLLED ACT 1014 - EFFECTIVE MARCH 10, 1996 - CITY OF BEDFORD - **Noncode** - Allow5 City of Bedford to convey Certain property to a not-for-profit corporation.

DUTIES OF SECRETARY OF POLICE PENSION FUNDS

IC 36-8-6-3 sets out the duties and bond responsibilities of the secretary of the 1925 police pension fund.

"The secretary shall:

- (1) keep a true account of the proceedings of the local board and of the police department of the municipality when acting upon matter relating to the 1925 fund;
- (2) keep a correct statement of the accounts of each member with the fund;
- (3) collect and turn over to the treasurer of the local board all money belonging to the fund;
- (4) give the local board a monthly account of his acts and services as secretary; and
- (5) turn over to his successor all books and papers pertaining to the office.

The secretary shall, in the manner prescribed by IC 5-4-1, execute a bond conditioned upon the faithful discharge of his duties.

The secretary and treasurer shall make complete and accurate reports of their trusts to the local board on the first Monday in February of each year, copies of which shall be filed with the municipal clerk. The books of the secretary and treasurer must be open at all times to examination by members of the local board.

Each member of the police department shall turn over to the secretary of the local board, within thirty (30) days after receiving it, all money and securities belonging to the 1925 fund that come into his hands."

IC 36-8-6-3(a) states the municipal fiscal officer is the treasurer.

EXPENDITURES OF UTILITY FUNDS

Expenses paid from utility funds should be directly related to the operation of the municipally owned utility and not related to the operation of a city or town.

Surplus utility funds can be transferred to the city or town general fund from a utility cash reserve fund pursuant to the provisions of IC 8-1.5-3-11 and used for any governmental purpose after appropriation in the regular legal manner, which requires both advertising to the taxpayers and approval of the State Board of Tax Commissioners.

FORM APPROVAL CONDITIONS

The following form approval condition number 11 should be added to the conditions listed in the March 1996 edition of the Cities and Towns Bulletin.

11. In the event a change is required due to the passage of a State or Federal law the vendor agrees to implement such change in a timely manner.

CONTRIBUTIONS, DONATIONS, GIFTS

Following is a brief list of procedures to be followed by city and towns officials in receiving and accounting for monetary contributions, donations, or gifts received by the municipality. (Since the term "donation" in this instance is synonymous to "contribution" and "gift" that term will be used.)

1. Unrestricted donations are defined as those to which the donor has not attached terms, conditions, or purposes.
2. Restricted donations are defined as those to which the donor has attached terms, conditions, and purposes.
3. The governing body of the unit has the option and responsibility to either accept or reject, in writing, any proposed donation.
4. If the donation is a restricted donation, the board must agree, in writing, to the terms, conditions, or purposes attached to the proposed donation.
5. Restricted donations can only be accepted for purposes within the scope of general statutory authority.
6. Income or revenues in the form of tax distributions, tax receipts, fees, rentals, contractual payments, etc., are not to be considered donations.
7. Donations which are accepted must be handled in one of the two following methods:
  - A. Unrestricted donations shall be receipted into the applicable operating fund of the unit (i.e. city or town operating (general) fund; cemetery operating fund, park and recreation operating fund, airport operating fund, etc.). Expenditure of such donated revenue from the operating fund shall be made Only after an appropriation has been provided for the purpose of the expenditure. Claims must be filed and approved in the regular legal manner.
  - B. A restricted donation shall be placed into a separate fund after such fund is established by the legislative body of the unit. Any appropriate descriptive name may be given the donation fund. The donation can be expended only for the purpose and under the terms and conditions agreed to on accepting the donation.

CONTRIBUTIONS, DONATIONS, GIFTS - Continued

Pursuant to Attorney General Official Opinion No. 68 of 1961, no further appropriation is required for expenditure of a restricted donation for the designated purpose. Even though no further appropriation is required, claims must be filed and approved in the regular legal manner before disbursements can be made from the fund.

8. If the volume of restricted donations justifies it, a "control" fund may be established for all restricted donations. Separate, individual accounts would then be established to account for each restricted donation or each type of restricted donation. The total activities of the separate accounts -- receipts, disbursements, balances -- could be reflected on the control fund.
9. Income from investments on restricted donations should be receipted into the same fund in which the principal of the donation has been receipted, provided it is to be used for the same purpose as the principal. However, if under the terms of the trust, the principal must be held in trust in perpetuity and only the income used by the governmental unit, there should be two funds established. One fund should be designated as "trust principal" and the other designated as "trust interest." In this situation, expenditures would only be permitted from the Trust Interest (Income) Fund".
10. The municipality's fiscal officer should be the custodian of the unit's funds and securities.